



**STATEMENT OF PROCEEDINGS  
FOR THE SPECIAL MEETING OF THE  
LOS ANGELES COUNTY AUDIT COMMITTEE**

**KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 374-A  
LOS ANGELES, CALIFORNIA 90012**

**Wednesday, September 21, 2011**

**10:30 AM**

**Present:** Member Helen Berberian, Member Springsong Cooper and  
Member Sylvia Drew-Ivie

**Excused:** Chair Lori Glasgow, Vice Chair Genie Chough, Member Louisa  
Ollague, Member Dorinne Jordan, Member Carl Gallucci and  
Member Lisa Mandel

Call to Order (11-3900)

**The meeting was called to order by Helen Berberian at 10:37 a.m.**

**I. ADMINISTRATIVE MATTERS**

1. Approval of the June 1, 2011 meeting minutes. (11-3898)

**On motion of Helen Berberian, seconded by Springsong Cooper, this item  
was approved.**

**Attachments:** [SUPPORTING DOCUMENT](#)

2. Approval of the June 15, 2011 meeting minutes. (11-3899)

**On motion of Helen Berberian, seconded by Springsong Cooper, this item  
was approved.**

**Attachments:** [SUPPORTING DOCUMENT](#)

**III. OLD BUSINESS**

3. Fiscal Review of Personal Involvement Center, Incorporated - A Foster Family  
Agency Foster Care Contractor (Continued from meetings of 3/2/11 and 6/1/11).  
(11-0427)

**Don Chadwick, Auditor Controller (A-C), reported current program funds  
were used to pay prior questioned costs. A-C is still in the process of  
reviewing the findings and will issue a draft report in the next 30 days.**

A-C reviewed their DMH contract and reported that the goals listed in the contract were not quantifiable.

Sylvia Drew-Ivie asked if there had been a conversation between A-C and the agency regarding the County policy versus the State policy on repayment of arrears.

Mike McWatters, (A-C), informed the members that a discussion had not taken place with the agency on the topic. However, A-C has been in communication with County counsel in regards to the policy being memorialized in the contract.

Sylvia Drew-Ivie recommended discussion with the agencies take place in order to clarify the County's policy on using current funds for repayment of arrears. Helen Berberian added that the language must be clear on the County's position on recapturing funds and questioned the renewal of contracts with agencies that may not be fiscally viable. Helen Berberian suggested the need for a measure when evaluating contractors and their debt.

Cynthia McCoy-Miller, Department of Children and Family Services (DCFS), informed the Committee that Wrap-around programs have been less problematic in terms of repayment. DCFS has been effective in sending the Wrap-around programs notices with instructions to contact DCFS if they are in disagreement with the A-C report. A further notice is sent informing the agency that if payment is not received, future invoices will be offset. She explained that Wrap-around programs are allowed an overpayment of 10% for operating costs which is then taken back in these instances. Agencies are typically put on notice after 4-6 months of nonpayment.

After discussion, Jim Schneiderman, A-C, informed the Committee they are in the process of finalizing the draft report which will go through the review process and be sent to the contractor. The report should be issued to the Board within 30 to 45 days.

On motion of Helen Berberian, seconded by Springsong Cooper, this item was continued to the next meeting.

Attachments:    [SUPPORTING DOCUMENT - AC REPORT](#)

4. Review of Excel Family Intervention, Incorporated - A Foster Family Agency Foster Care Contractor (Continued from meetings of 3/2/11 and 6/1/11). (11-0678)

**Karen Richardson, DCFS, reported the agency has been terminated as a contractor and the children are currently in the process of being transitioned to other homes. Cynthia McCoy-Miller, DCFS reported that the agency has been referred to the Treasurer and Tax Collector, (TTC) for the unresolved balance.**

**Mike McWatters, A-C, reported that the agency sent a letter challenging the A-C report however, the majority of the allegations were not warranted and the County will proceed with collections. He added that the agency does have a Family Preservation contract.**

**Helen Berberian stated that this item falls under the discussion of using current funds for repayment as discussed in item 3 and asked staff to cluster these agencies as one item for discussion on the next agenda.**

**Aggie Alonso, A-C, added Excel Intervention, Inc. may be a good candidate for CARD and will work with DCFS on this issue. Cynthia McCoy-Miller, DCFS added that they are working closely with A-C in determining candidates for CARD to ensure these agencies meet the criteria. Springsong Cooper requested an update at the next meeting.**

**On motion of Helen Berberian, seconded by Springsong Cooper, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

5. Final Report on Investigating Child Abuse in County-Contracted Foster Care Facilities (Board Agenda Item 33, March 23, 2010) (Continued from meetings of 3/2/11 and 6/1/11). (11-0966)

**Karen Richardson, DCFS reported as of September 6, 2011, there were 287 open referrals of alleged abuse. DCFS has closed 244 referrals, of the closed referrals, 39 were evaluated out, 46 were found inconclusive, 141 were unfounded and 18 cases were substantiated. The 18 substantiated cases consisted of the following:**

- **1 – Care taker absence**
- **3 – Emotional abuse**
- **7 – General neglect**
- **4 – Physical abuse**
- **3 – Sexual abuse**

**A total of 29 group homes have been decertified by the agency since January, 2011.**

**Helen Berberian suggested an aggregate report be compiled for the Board to show the efficacy of the unit. She thanked DCFS for their accomplishments and efforts and reiterated the noteworthiness of the work being managed and achieved with existing resources.**

**On motion of Springsong Cooper, seconded by Helen Berberian, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - CEO REPORT](#)

- 6. Moore's Cottage Group Home Program Review (Continued from meeting of 6/1/11). (11-2536)**

**Karen Richardson, DCFS reported improved results from the February 2011 follow up visit. She informed the members that the group home was compliant with 7 of the 9 areas that were previously found incompliant and are planning to revisit the home next month.**

**On motion of Springsong Cooper, seconded by Helen Berberian, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)  
[SUPPORTING DOCUMENT - PROB REPORT](#)

- 7. Florence Crittenton Services of Orange County, Inc. DBA Crittenton Services for Children and Families Review - A Department of Children and Family Services and Mental Health Service Provider (Continued from meeting of 6/1/11). (11-2156)**

**On motion of Helen Berberian, seconded by Springsong Cooper, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)  
[SUPPORTING DOCUMENT - DCFS REPORT](#)

- 8. San Gabriel Children's Center Review (Continued from meeting of 6/1/11). (11-2249)**

**Karen Richardson, DCFS reported two pending issues with NSP's and a dental exam. DCFS found NSP's to be a common issue and is planning to retrain the providers on this. Aggie Alonso, A-C commented that in working with Ms. Richardson reviewing cases they noticed an overlap of social workers across the agencies and speculated that social workers**

may be overloaded with cases which may contribute to the incompliance issues. He recommended a department wide focused review of the contracted social workers. This review would investigate if contracted social workers are taking on too many cases with multiple agencies and determine if the overload is a contributing factor to the routine issues that are reoccurring. If this is the case a joint review mechanism for monitoring this will need to be developed.

On motion of Helen Berberian, seconded by Springsong Cooper, this item was received and filed.

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)  
[SUPPORTING DOCUMENT - AC REPORT](#)

9. Children Are Our Future Review - A Group Home Foster Care Contractor (Continued from meeting of 6/1/11). (11-2369)

Tom Fagan, County Counsel, informed the members of the process of Chapter 11 bankruptcy. He explained the agency is on a plan for paying a portion of their debt in which existing assets and funds the agency receives for the care of children may be used. He explained there are two categories of obligations consisting of pre-petitioned and post-petitioned debt. Mr. Fagan informed the members, they have been in communication with the debtor in regards to the nonpayment of the pre-petitioned obligation. Donna Doss, Treasurer and Tax Collector (TTC), advised that the debt is unsecured and only a fraction of the amount is collectable. Tom Fagan recommended not contracting with the agency if their financial status is unstable.

By common consent, there being no objection, this item was continued to the next meeting to allow balanced discussion inclusive of Probation Department and Springsong Cooper requested DCFS report back on the agency's plan to repay the debt without using current period funds while maintaining high quality program services.

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)  
[SUPPORTING DOCUMENT - DCFS REPORT](#)

10. Guardians of Love Foster Family Agency Contract Review - A Department of Children and Family Services Provider (Continued from meeting of 6/1/11). (11-2370)

On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.

**Attachments:**    [SUPPORTING DOCUMENT AC REPORT](#)

11. Westside Children's Center Foster Family Agency Contract Review - A Department of Children and Family Services Provider (5/12/11) (Continued from meeting of 6/1/11). (11-2371)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT AC - REPORT](#)

12. Five Acres Foster Family Agency Contract Review - A Department of Children and Family Services Provider (5/12/11) (Continued from meeting of 6/1/11). (11-2376)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)  
                              [SUPPORTING DOCUMENT - DCFS REPORT](#)

13. Wings of Refuge Foster Family Agency Contract Review - A Department of Children and Family Services Provider (5/12/11) (Continued from meeting of 6/1/11). (11-2377)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT AC - REPORT](#)

14. FamiliesFirst, Inc., (EMQ FamiliesFirst) - A Department of Mental Health and Department of Children and Family Services Contract Service Provider - Contract Compliance Review (5/17/11) (Continued from meeting of 6/1/11). (11-2431)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT AC - REPORT](#)

### **III. REPORTS**

15. B & I Group Home Inc., Alvarado Site Contract Compliance Monitoring Review (6/9/11). (11-3585)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - PROB REPORT](#)  
                              [SUPPORTING DOCUMENT - DCFS REPORT](#)

16. Hannah's Children's Homes Foster Family Agency - A Department of Children and Family Services Contract Service Provider - Contract Compliance Review (6/20/11). (11-3586)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT AC - REPORT](#)

17. Koinonia Foster Family Agency - A Department of Children and Family Services Contract Service Provider - Contract Compliance Review (6/20/11). (11-3587)

**Karen Richardson, DCFS reported a full review was conducted on September 14, 2011 and the preliminary report is in the process of being completed.**

**By common consent, there being no objection, this item was continued to the next meeting.**

**Attachments:**    [SUPPORTING DOCUMENT AC - REPORT](#)

18. The Village Family Services Foster Family Agency - A Department of Children and Family Services Contract Service Provider - Contract Compliance Review (6/20/11). (11-3588)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT AC - REPORT](#)

19. Masada Homes (Counseling & Research Associates, Inc.) - A Department of Mental Health and Department of Children and Family Services Contract Provider - Contract Compliance Review (6/20/11). (11-3589)

**Don Chadwick, A-C reported that a collection letter was sent in August by DCFS. The contractor sent a letter in response disputing the findings and as of September 6, 2011, DCFS was coordinating a meeting with the contractor to address the dispute.**

**Cynthia McCoy-Miller, DCFS reported that a collection letter was sent on August 11, 2011 for the balance owed. She explained that if the dispute is found to be unwarranted a letter will be sent notifying the contractor that future invoices will be offset.**

**By common consent, there being no objection, this item was continued to the next meeting**



**Attachments:**    [SUPPORTING DOCUMENT AC - REPORT](#)

20.    New Concept Group Home Contract Compliance Monitoring Review (6/23/11). (11-3590)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - PROB REPORT](#)

21.    Fleming and Barnes, Incorporated - A Group Home Foster Care Contract Provider. (11-3595)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)  
                              [SUPPORTING DOCUMENT - DCFS REPORT](#)

22.    Bourne Group Home Contract Compliance Monitoring Review (Fifth District) (5/23/11). (11-3686)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

23.    The Help Group Child and Family Center - A Department of Mental Health and Department of Children and Family Services Contract Review - Contract Compliance Review (7/10/11). (11-3688)

**Cynthia McCoy-Miller, DCFS reported a payment was received for the Wrap-around program.**

**On motion of Springsong Cooper, seconded by Helen Berberian, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT AC REPORT](#)

24.    Luvlee's Residential Care, Incorporated - A Group Home Foster Care Contract Provider - Fiscal Review (7/1/11). (11-3689)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)



25. Boy's Republic Contract Compliance Monitoring Review (8/19/11). (11-3690)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - PROB REPORT](#)

26. Inner Circle Foster Family Agency - A Foster Family Agency Foster Care Contractor - Fiscal Review (7/11/11). (11-3691)

**Cynthia McCoy-Miller, DCFS reported payment was received in full for the unallowable and unsupported expenses. She addressed the embezzled portion and reported that the contractor is pursuing criminal charges against the employee for the embezzlement. She explained the contractor had not paid their payroll taxes for several years which absorbed the embezzled amount. The contractor is working with the IRS to settle the unpaid taxes. Helen Berberian suggested keeping a watch on this agency to determine if current period funds will be used to repay the taxes.**

**Aggie Alonso, A-C added that 80-90% of this amount was County funding. Helen Berberian questioned if children had suffered because of this. Karen Richardson, DCFS responded that there had been no notable program issues. Springsong Cooper suggested placing the contractor on a radar list and closely evaluating when determining child placement.**

**A discussion ensued regarding liabilities and requirements of insurance, it was determined that this topic falls under risk-management.**

**By common consent, there being no objection, this item was continued to the next meeting for a report back on risk management.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

27. Lifecircles Unlimited, Inc. - A Group Home Foster Care Contract Provider - Fiscal Review (7/12/11). (11-3692)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

28. Status Report - Request for Extension for Review of the Department of Children and Family Services' Youth Development Services Division - Board Agenda Item 51-B (7/14/11). (11-3697)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

29. Department of Children and Family Services - Review of Revolving Funds (7/22/11). (11-3704)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

30. Probation Department - Juvenile Camp Department of Justice Settlement Agreement Monitoring for the Period of March 1, 2011 through May 31, 2011 (7/28/11). (11-3706)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

31. Downs and Martin Children's Services - A Group Home Foster Care Contract Provider - Fiscal Review (7/28/11). (11-3709)

**Cynthia McCoy-Miller, DCFS reported the County no longer holds a contract with this agency. They have been referred to TTC and are on a payment plan. Donna Doss, TTC informed the Committee that the agency is current with their payment plan.**

**By common consent, there being no objection, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

32. Guiding Light Home for Boys, Sites I & II contract compliance monitoring review (7/15/11). (11-3720)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - PROB REPORT](#)

33. Optimist Youth Homes and Family Services Contract Compliance Monitoring Review (7/15/11). (11-3721)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - PROB REPORT](#)

34. The House of Bethesda Group Home Contract Compliance Monitoring Review (8/1/11). (11-3722)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - PROB REPORT](#)

35. Touch a Life Foundation Group Home Contract Compliance Monitoring Review (8/1/11). (11-3725)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - PROB REPORT](#)

36. Future Stars Youth Services Group Home Contract Compliance Monitoring Review (8/1/11). (11-3726)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - PROB REPORT](#)

37. Washington-Hancock Home for Girls, Inc. Group Home Contract Compliance Monitoring Review (5/23/11). (11-3735)

**On motion of Springsong Cooper, seconded by Helen Berberian, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - DCFS REPORT](#)

38. Dream Home Care Group Home Contract Compliance Monitoring Review (5/23/11). (11-3736)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - DCFS REPORT](#)

39. Fields Comprehensive Youth Services Contract Compliance Monitoring Review (6/10/11). (11-3738)

**Springsong Cooper requested Karen Richardson, DCFS email status of follow up visit.**

**On motion of Springsong Cooper, seconded by Helen Berberian, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - DCFS REPORT](#)

40. Dubnoff Center Group Home Contract Compliance Monitoring Review (6/10/11). (11-3739)

**On motion of Springsong Cooper, seconded by Helen Berberian, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - DCFS REPORT](#)

41. Boys Town California, Inc. Group Home Program Contract Compliance Monitoring Review (6/10/11). (11-3740)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - DCFS REPORT](#)

42. West Covina Foster Family Agency, dba Homes of Hope, Inc., Casa Esperanza Treatment Center Group Home Program Contract Compliance Monitoring Review (7/15/11). (11-3741)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - DCFS REPORT](#)

43. T&T Group Home Program Contract Compliance Monitoring Review (7/14/11). (11-3742)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:** [SUPPORTING DOCUMENT - DCFS REPORT](#)

44. Rosemary Children's Services Group Home Program Contract Compliance Monitoring Review (7/14/11). (11-3743)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

45. Phoenix Academy Group Home Program Contract Compliance Monitoring Review (7/14/11). (11-3744)

**Springsong Cooper requested Karen Richardson, DCFS email status of follow up visit.**

**On motion of Springsong Cooper, seconded by Helen Berberian, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

46. Penny Lane Group Home Program Contract Compliance Monitoring Review (7/15/11). (11-3746)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

47. Dream Catcher Foundation Group Home Program Contract Compliance Monitoring Review (7/14/11). (11-3748)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

48. Status Report - Review of the Department of Children and Family Services' Emergency Response Command Post (Board Agenda Item 7, July 12, 2011) (8/16/11). (11-3984)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

49. Department Of Children and Family Services Group Home Monitoring - Final Status Report (Board Agenda Item No. 3, April 14, 2009) (9/1/11). (11-3985)

**On motion of Helen Berberian, seconded by Sylvia Drew Ivie, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)  
[LATEST AUDIT REPORTS](#)

**V. DISCUSSION ITEMS**

50. Comprehensive Schedule of Audits and Results for DCFS Group Home and Foster Family Agency Contractors (Continued from meeting of 6/1/11). (11-0965)

**Mike McWatters, A-C informed the members the report was emailed on September 6, 2011.**

51. Status on Contract Language Changes to the Group Home and Foster Family Agency Form Contracts (Continued from meeting of 6/1/11). (11-0969)

**Mike McWatters, A-C informed the members the handbook is done and the language on executive compensation and donations is being reviewed to ensure it is consistent with SB84 and will be finalized soon. A status report will be provided at the next meeting.**

52. Probation Group Home Monitoring Report (Continued from meeting of 6/1/11). (11-0970)

**This item was continued to the next meeting for Probation Department to be present.**

53. DCFS GH/FFA Fiscal Audits (Continued from meeting of 6/1/11). (11-0971)

**Cynthia McCoy-Miller, DCFS provided a brief summary of the fiscal audit report.**

**VIII. MISCELLANEOUS**

54. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (11-1259)

**There were none.**

55. Public Comment (11-2590)

**No members of the public addressed the Committee.**

56. Adjournment (11-1260)

**There being no further business to conduct, the meeting was adjourned at 12:00 p.m.**